

## **Another View – CALPIA Provides Critical Inmate Rehabilitation While Providing Significant State General Fund Savings**

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Sale of prisoner-made products comes under scrutiny in California, April 13, 2010 Page A-1.+ If this was 2004 instead of 2010, the Sacramento Bee's story last week on the California Prison Industry Authority (CALPIA), would have been accurate. In the story, the Bee correctly cited the 2004 opinions and anecdotes of the California Performance Review and documentation from the California Bureau of State Audits.

Unfortunately, the six-year-old data is now being used by CALPIA critics as relevant, current information as they continue to paint a negative picture. In fact, CALPIA in 2010 is a very different organization compared to the one that existed in 2004.

The article quotes one vendor who says his products are priced at half the cost of CALPIA's. That cannot be validated since the vendor refused to release price data to back up his claim. While CALPIA took great pains to provide The Bee with substantial, credible documentation for every price, recidivism rate and policy change, that documentation was dismissed by The Bee as "CALPIA claims," thereby lending great credence to a vendor seeking state contracts who will not support his own claims.

The Bee criticized the CALPIA method for evaluating success -- the more than 25 percent average reduction in recidivism from inmates who participate in CALPIA. Contrary to the Bee story, a majority of those inmates have substance abuse related crimes. Instead, the Bee dismissed the reduction in recidivism stating that CALPIA has fewer problem-prone inmates. The Bee also stated the CALPIA does not study the actual employment rate of parolees, but failed to mention that when the CALPIA did such a study in 2005, there was a 99 percent error rate in the sample of inmates' Social Security records, indicating serious deficiencies in the State's employment identification data base.

The article clearly identifies the growth in the CALPIA revenues from \$143 to \$234 million in the last six years, but it does not mention the number of rehabilitation slots in CALPIA programs has grown 20 percent from 5,669 inmates to 6,829 in the same six years. In the same time period, the CALPIA reduced the number of civil service employees by 12.5 percent from 677.5 to 593.

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Nor did the Bee mention that the CALPIA produces a combination of General Fund cost avoidance and recidivism savings in excess of \$34 million per year. If CALPIA did not exist, it would cost the State penal system in excess of \$23.8 million to establish comparable vocational or education positions. Since CALPIA has a documented ability to reduce recidivism, if CALPIA were not in effect, the loss of savings alone from recidivism savings from the annual parole of CALPIA inmates would exceed \$10 million every year. That includes costs associated with re-incarceration, judiciary and policing costs, as well as the impact on new victims.

The latest attack on the CALPIA comes from legislation sponsored by the California Chamber of Commerce. Under AB 1771, CALPIA contracts would be available to small businesses that receive preferences that will not ~~level~~ the playing field as the bill claims -- but will tilt the field in the other direction and give price preferences to those businesses making their living off government contracts.

The Chamber ignores the fact that if this measure is adopted, California businesses could lose millions of dollars in sales of raw materials to CALPIA. The raw materials for inmate-made boots and furniture come from California companies. If the business goes to private vendors, it's a safe bet that significant amounts of raw materials and finished products will be purchased from China and out-of-state suppliers.

In fact, most of the private vendors are not manufacturers; they are brokers peddling products made elsewhere.

According to a 2008 study by the University of Nevada, if CALPIA activities did not exist in California, economic activity would decline by \$238 million, household income would decline by \$75.7 million, and 1,138 jobs would be lost statewide.

An analysis of any prisoner rehabilitation program should be wide-ranging and accurate -- not based upon ancient data and unsubstantiated allegations of those who would financially benefit from the demise of programs such as the CALPIA.